



State of Louisiana
Louisiana Department of Health
Bureau of Health Services Financing

VIA E-MAIL ONLY

November 12, 2021

Mr. Karl Lirette, CEO
United Healthcare Community Plan
3838 N. Causeway Blvd., Suite 2600
Metairie, LA 70002

RE: Notice of Action and Notice of Monetary Penalty - Failure to Implement Pharmacy Diagnosis Codes as Directed by the Louisiana Department of Health

Dear Karl:

United Healthcare Community Plan (UHC) has failed to follow Louisiana Department of Health (LDH) directives related to the implementation of pharmacy diagnosis codes in accordance with its contract with LDH. The contract provides:

6.3.7.3.1.2. Pharmacy claims processing shall be capable of capturing diagnosis codes at the POS and utilizing codes in the adjudication process at POS. Denial of pharmacy claims could be triggered by an inappropriate diagnosis code or the absence of a diagnosis code.

The MCO shall allow pharmacist overrides on selected POS denials as instructed by LDH. Pharmacist overrides shall utilize NCPDP established standards.

And

6.3.7.3.1. Prospective DUR Program

6.3.7.3.1.1. The MCO shall provide for a review of drug therapy at Point of Sale (POS) before each prescription is given to the recipient. Screening should be performed for potential drug problems due to therapeutic duplication, drug-disease contraindications, drug-drug

interactions, duration of therapy, and clinical misuse. The following parameters should be screened at POS. Inappropriate therapy should trigger edits and each edit should have its own separate denial code and description including, but not limited to: early refill, duration of therapy, therapeutic duplication, pregnancy precaution, quantity limit (excluding opioids), quantity limit for long-acting opioids, quantity limit for short-acting opioids, diagnosis code required on selected agents, drug interactions, age limit, and dose limits. Reporting capabilities shall exist for these denial codes. The MCOs shall align their coding of NCPDP compliant POS edits and overrides with LDH. Prior authorization is not an acceptable method to override certain POS edits.

Notice of Action for Failure to Implement Pharmacy Diagnosis Codes for Naltrexone tablets

UHC failed to follow an LDH directive issued on April 7, 2021, that required the implementation of pharmacy diagnosis codes for Naltrexone tablets at point-of-sale. Claims data reviewed for the time period April 8, 2021 through September 20, 2021, showed 729 Naltrexone tablet claims with missing diagnosis codes.

Should UHC, in the future fail to follow a LDH directive to implement pharmacy diagnosis codes for the drug Naltrexone tablets, penalties may be assessed for each occurrence, each day of UHC's non-compliance.

Failure to Implement Pharmacy Diagnosis Codes for Vivitrol

By Notice of Action dated March 17, 2021, UHC was notified of its failure to follow an LDH directive to implement pharmacy diagnosis codes for the drug Vivitrol. UHC was advised that additional instances of non-compliance could result in monetary penalties.

Pursuant to LDH's instructions issued on September 4, 2018, UHC should have implemented diagnosis codes at the point-of-sale for the drug Vivitrol. Initially, UHC was allowed to review medical claims for the diagnosis codes, but a subsequent email from LDH was sent to UHC on December 21, 2020, requiring the diagnosis codes at point-of-sale only. Claims data reviewed for the time period April 8, 2021 through September 20, 2021, showed 8 Vivitrol claims with invalid diagnosis codes and 19 Vivitrol claims with missing diagnosis codes.

Failure to adhere to the contract requirements cited herein warrants the assessment of a monetary penalty per occurrence of non-compliance of \$5,000, as outlined in the contract between UHC and LDH. A penalty in the amount of \$135,000 for the failure to implement diagnosis codes at the point-of-sale for the drug Vivitrol will be retained from the next monthly capitation payment made to UHC.

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Should you have any questions, please do not hesitate to contact me.

Sincerely,



Stacy Guidry
Section Chief, Medicaid Program Operations and Compliance

SG/lj

cc: Michael Boutte
Sue Fontenot
Patrick Gillies
Marisa Naquin
Kim Sullivan
Melwyn Wendt
Christina Wilson
File: UHC2-49
File: UHC2-59